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# WARWICK OF UK CITIES PROJECT SOCIAL VALUE CREATION AND MEASUREMENT IN THE CULTURAL SECTOR



Arts and  
Humanities  
Research Council



# ABOUT THE FUTURE TRENDS SERIES

**THE FUTURE TRENDS SERIES**—published as part of the **Warwick UK Cities of Culture Project**—discusses ways of thinking about the value of culture. It explores the importance of research for understanding the place of culture in everyday lives, its impact on local people, society, the economy, wellbeing, and prosperity at large. It does so through a research-informed approach that connects with the needs of policy making.

The intended audiences for the series include cultural workers, organisers of cultural events, funders, policymakers at the national level and in local government, as well as academics. The series aims to provide accessible, research-led accounts of issues related and relevant to the development of the DCMS UK City of Culture Programme and connected initiatives supported by the Arts and Humanities Research Council, Arts Council England and others.

The papers are expected to inform, provoke and engage with place-based ambitions and planning for cultural growth and vitality at all levels. They also offer a practical guide to understanding the range of concepts, methods, data, and evidence that can inform the planning and preparation of proposals and programming.

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The project has a particular focus on increasing the use of arts, humanities, and social science research to match the scale of opportunity for evidence-based learning afforded by the DCMS [UK City of Culture Programme](#).

The project is committed to sharing insights and data that can benefit and inform the UK City of Culture Programme and other place-based cultural investments, mega-events, and initiatives.

## **SOCIAL VALUE CREATION AND MEASUREMENT IN THE CULTURAL SECTOR**

**Dr Andrew Anzel** – WARWICK BUSINESS SCHOOL

**Dr Patrycja Kaszynska** – UNIVERSITY OF ARTS LONDON

**Dr Haley Beer** – WARWICK BUSINESS SCHOOL

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**SOCIAL VALUE  
REPRESENTS  
THE VALUE THAT  
PEOPLE EXPERIENCE  
AS A RESULT OF  
CHANGES IN  
THEIR LIVES.**

# **SOCIAL VALUE CREATION AND MEASUREMENT IN THE CULTURAL SECTOR**

ANDREW ANZEL, PATRYCJA KASZYNSKA, & HALEY BEER

Can arts and culture change someone's life?  
Can a City of Culture change the lives of every  
person within a region?

Social Value represents the value that people experience as a result of changes in their lives. Applied to the cultural sector, social value helps unpick how the arts might impact the lives of individuals and groups. This paper reviews the current understanding of creating and measuring social value in the cultural sector.

To relate theory to practice, a case study of the Social Value Assessment for Coventry UK City of Culture 2021 is used to support and interrogate framing assumptions, and to articulate recommendations for future research and practice.



# INTRODUCTION

*The term 'social value' has increasingly been used within the cultural sector to categorise a way in which the arts impact individuals and groups.*

This paper provides a cross-disciplinary overview of this trend and illustrates how social value can be generated and measured in cultural contexts.

To do so, we pose a series of questions that form the basis for each section of this paper.

They are:

- 1) *What is social value creation and measurement?***
- 2) *Why has social value become important in the cultural sector?***
- 3) *How has social value creation and measurement been applied to culture?***
- 4) *What are future trends and recommendations for policy and research?***

A case study of the Social Value Assessment for Coventry UK CoC 2021 is used to support and interrogate the framing assumptions, and to articulate recommendations for future research and practice.





MEASURING SOCIAL VALUE IS CHALLENGING; REPRESENTING THE CHANGES PEOPLE EXPERIENCE IN THEIR LIVES AS A RESULT OF A SPECIFIC INTERVENTION IS NOTORIOUSLY DIFFICULT.

## WHAT IS SOCIAL VALUE CREATION AND MEASUREMENT?

*Social value represents the value that people experience as a result of changes in their lives.*<sup>1</sup>

As such, *social value is subjective* to those who experience change.

For example, participants in a dance class may experience changes to their physical health, but the changes might not be the same for all participants.

*Social value can be positive or negative:* one dance class participant might experience improved heart health, while another might twist their ankle.

While the meaning individuals ascribe to certain interventions is subjective, *social value also exists as an intersubjective phenomenon, conceptualised as the aggregate of individual experience:* we can describe the dance class as having a net positive social value

because many students have better health, despite the one twisted ankle.

Measuring social value is challenging; representing the changes people experience in their lives as a result of a specific intervention is notoriously difficult. Moreover, *value may not manifest immediately.* While the dance instructor can survey their students on their health before and after a year of dance classes, physical health improvements might not happen immediately, and might not be the only form of value attributable to the class.

One student might meet their future spouse in the class; another might go on to dance professionally. Capturing all the possible manifestations of social

value and tracing clear attribution lines (was it even the class that increased student health?) is—from a practical point of view—a fool's errand. Yet, *specific tools and techniques have been developed to help pin down aspects of social value,* which we will discuss later. In general, these tools are relational (i.e., they involve talking to people about their experience), indicative (demonstrative of value, but not exhaustive), and rooted in the tradition of social science.

While such measurement techniques are complex, it is hoped that they begin to move beyond assumption and unpick how cultural experiences are actually meaningful for those involved.

<sup>1</sup> Social Value International, *The Principles of Social Value*, pp. 1-6



# WHY IS SOCIAL VALUE MEASUREMENT BECOMING IMPORTANT IN THE CULTURAL SECTOR?

Theorists and practitioners have long noted the wide-ranging impact that arts and culture can have on the lives of individuals and groups.<sup>2</sup>

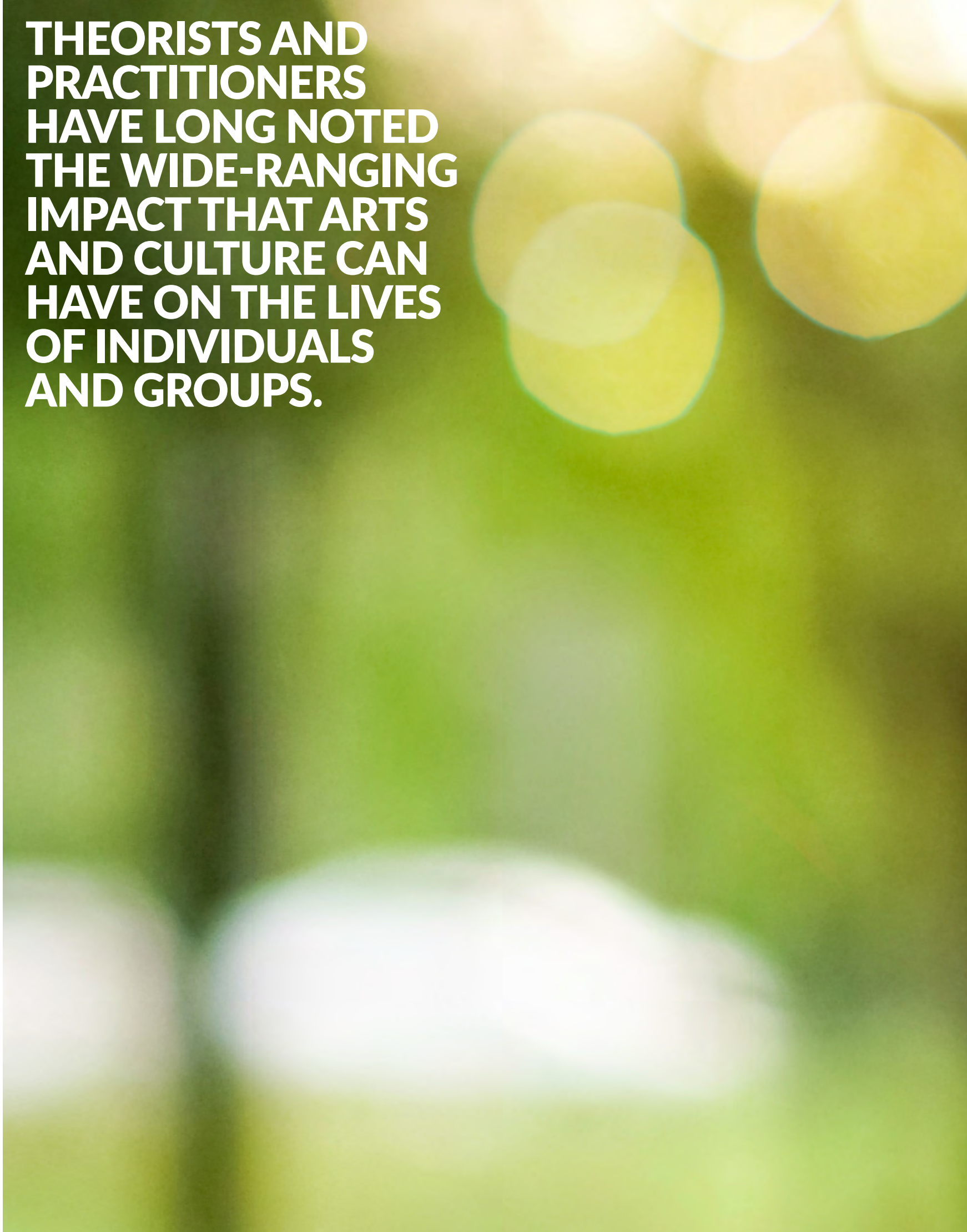
As such, the arts (particularly in Europe) have been historically funded with the implicit understanding that they are 'good for society.'<sup>3</sup>

However, in the 1980s and 1990s two questions started to emerge that challenged this underlying rationale.

- **Why spend public money on culture when we could spend it on healthcare or other services?**
- **Who benefits from publicly funded culture?**

The sector started to gather evidence so it could give form to the implicit understandings of the positive impact of the arts, and thus answer these questions.


Initial evidence gathering was economic in character, with people measuring how arts investment brings about a financial return for regions and localities.<sup>4</sup> Others began gathering evidence related to the social value that people experience through their engagement with arts and culture.<sup>5</sup> These benefits included increased personal wellbeing,<sup>6</sup> education attainment,<sup>7</sup> socio-emotional development,<sup>8</sup> and many others.<sup>9</sup>



**THEORISTS AND PRACTITIONERS HAVE LONG NOTED THE WIDE-RANGING IMPACT THAT ARTS AND CULTURE CAN HAVE ON THE LIVES OF INDIVIDUALS AND GROUPS.**

- <sup>2</sup> Eleonora Belfiore and Oliver Bennett, *The Social Impact of the Arts* (Hampshire: Palgrave Macmillan, 2008); Geoffrey Crossick and Patrycja Kaszynska, *Understanding the Value of Arts and Culture* (Swindon: AHRC, 2016).
- <sup>3</sup> Anna Upchurch, *The Origins of the Arts Council Movement: Philanthropy and Policy* (London: Palgrave Macmillan, 2016).
- <sup>4</sup> John Myerscough, 'The economic importance of the arts in Britain', *International Journal of Cultural Policy*, 16 (1988), 74–75.; also, David Throsby, *The Economics of Cultural Policy* (Cambridge: Cambridge University Press, 2010).
- <sup>5</sup> Michelle Reeves, *Measuring the economic and social impact of the arts: a review* (London: Arts Council England, 2002); Andrew Mowlah, Vivien Niblett, Jonathon Blackburn and Marie Harris. *The value of arts and culture to people and society: An evidence review* (Manchester: Arts Council England, 2014).
- <sup>6</sup> All-Party Parliamentary Group, *Creative Health: The Arts for Health and Wellbeing* (London: 2017), pp. 1-99.
- <sup>7</sup> Daniel Bowen and Brian Kisida, Investigating Causal Effects of Arts Education Experiences: Experimental Evidence from Houston's Arts Access Initiative, *Houston Education Research Consortium*, 7.4, (2019), pp. 1-32.
- <sup>8</sup> Steven J. Holochwost, Thalia R. Goldstein, and Dennie Palmer Wolf, 'Delineating the Benefits of Arts Education for Children's Socioemotional Development', *Frontiers in Psychology*, 12 (2021).
- <sup>9</sup> Department of Culture, Media, and Sport, *Understanding the drivers, impact and value of engagement in culture and sport* (London: 2010), pp. 1-42.





**THERE ARE SEVERAL NUANCED RATIONALES THAT JUSTIFY THE CREATION AND MEASUREMENT OF SOCIAL VALUE.**

Social value research is now moving beyond pure ‘impact studies’ to focus on how cultural programmes can be created in ways that are meaningful to the whole population without presupposing wants and needs. Moreover, this new wave does not relegate social value to a purely evaluative tool, but seeks to put social value creation and measurement at the heart of how programmes are designed and produced.

Drawing from the theorisation of social value beyond the cultural sector<sup>10</sup> there are several nuanced *rationales that justify the creation and measurement of social value*:

- **Effectively allocate resources to social value creation:** identify ways of working that are useful or otherwise, given a particular social mission.
- **Improvise, experiment, and innovate:** creatively adapt approaches to cultural production and measurement

to address inequalities and maximise social value.

- **Democratise cultural access:** ensure that everyone has access to cultural experiences (publicly funded or otherwise) in ways they find meaningful.
- **Increase stakeholder participation and collaboration:** Co-create with diverse stakeholders (e.g., artists, audiences, funders) to create meaningful programmes (See the *Reasons to Co-create* paper in this series).
- **Persuade:** attempt to influence stakeholders and gain strategic resources through advocacy and fundraising.<sup>11</sup>

It should be noted that several cultural scholars and practitioners have questioned whether social value creation and measurement are actually rooted in these multifaceted rationales.<sup>12</sup>

They argue that social value is a discursive tool only meant to ‘persuade’ stakeholders and to provide a funding justification

aligned to the current zeitgeist.<sup>13</sup> In practice, this raises a particular question: is *social value measurement meant to prove social initiatives* (i.e. provide a justification for funding) or *improve them (i.e., enable future social value initiatives to do better)*. Policy makers, funders, and practitioners should all acknowledge these multiple focuses and clarify which of these purposes (and wider rationales) they envision for their social initiatives.

<sup>10</sup> OECD (2021), ‘Social impact measurement for the Social and Solidarity Economy: OECD Global Action Promoting Social & Solidarity Economy Ecosystems’, *OECD Local Economic and Employment Development (LEED) Papers*, No. 2021/05, OECD Publishing, Paris.

<sup>11</sup> OECD (2021), ‘Social impact measurement for the Social and Solidarity Economy: OECD Global Action Promoting Social & Solidarity Economy Ecosystems’, *OECD Local Economic and Employment Development (LEED) Papers*, No. 2021/05, OECD Publishing, Paris, p. 16.

<sup>12</sup> Andrew Anzel, Haley Beer, and Graeme Currie, ‘The paradox of impact measurement in cultural contexts’, *Cultural Trends*, (2022) Advance online publication: DOI: 10.1080/09548963.2022.2081487

<sup>13</sup> Eleonora Belfiore, ‘Art as a means of alleviating social exclusion: Does it really work? A critique of instrumental cultural policies and social impact studies in the UK’, *International Journal of Cultural Policy*, 8 (2002), 91-106.



# HOW HAS SOCIAL VALUE MEASUREMENT BEEN APPLIED TO CULTURE?

*Several approaches have been applied to assess the creation and measurement of social value within the arts and culture sector.*

The three most common are impact measurement, theory-based modelling, and social return on investment scenarios.

## **1. Social Impact Measurement**

Social Impact Measurement is the most well-established approach to social value creation and measurement.<sup>14</sup>

Put simply, **impact measurement attempts to capture the changes that result from a certain intervention.** These changes could be planned (i.e., 'we did this programme to make a social impact') or unplanned (i.e., 'we did this programme and here is the social impact').

Like economic impact measures, **social impact measurement has been criticised as a relatively blunt, black-box approach, where correlation is likely to be conflated with causation, and variables may be confounded.** It is also one where social value is not always registered from the point of view of beneficiaries.

An example of social impact measurement in a cultural context is that of the New Victory Theater's SPARK programme.<sup>15</sup> Aimed at addressing socio-cultural imbalances in NYC, SPARK was designed as a multi-year partnership between an arts organisation and schools in low-income neighbourhoods. The intent was to use the arts to

increase the social and creative development of students. New Victory Theater performed a case-controlled impact evaluation once the programme was underway, comparing students in SPARK schools against students in schools with similar demographics. Evaluators found that students in the SPARK programme scored significantly higher than non-SPARK students on measures of emotional intelligence, empathy, and creative thinking. Furthermore, the SPARK students performed better in traditional academic subjects.<sup>16</sup>

<sup>14</sup> Eleonora Belfiore and Oliver Bennett, 'Rethinking the Social Impact of the Arts', *International Journal of Cultural Policy*, 13.2 (2007), 135-151.

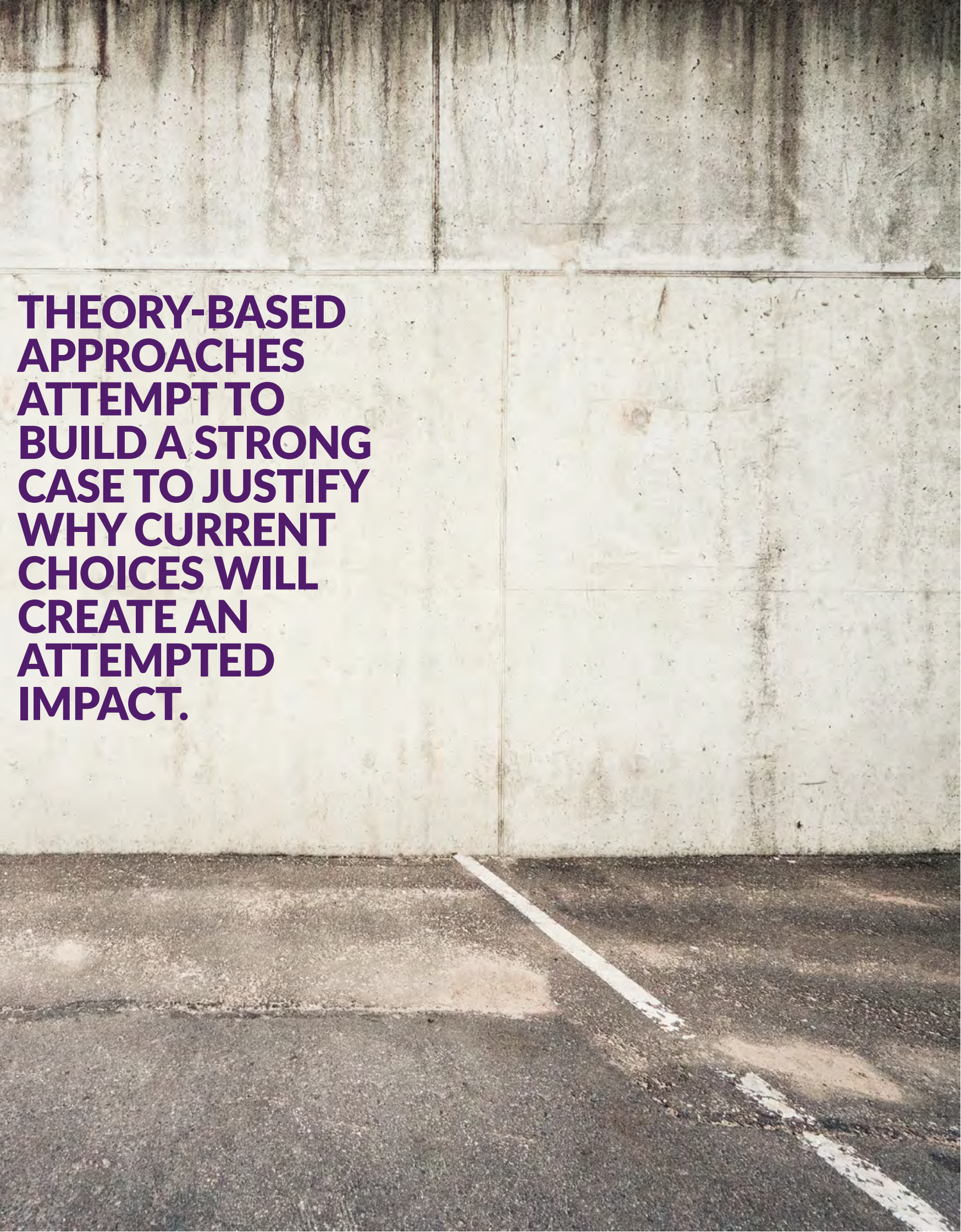
<sup>15</sup> Lindsey Buller Maliekel and others, 'Theaters for Learning: The New Victory Theater SPARK Program', in *Education and Theatres* (Springer, 2019), pp. 195-207.

<sup>16</sup> Steven J. Holochwost, Thalia R. Goldstein, and Dennie Palmer Wolf, 'Delineating the Benefits of Arts Education for Children's Socioemotional Development', *Frontiers in Psychology*, 12 (2021).



**SOCIAL IMPACT MEASUREMENT IS THE MOST WELL-ESTABLISHED APPROACH TO SOCIAL VALUE CREATION AND MEASUREMENT.**





**THEORY-BASED APPROACHES ATTEMPT TO BUILD A STRONG CASE TO JUSTIFY WHY CURRENT CHOICES WILL CREATE AN ATTEMPTED IMPACT.**

## **2. Theory-Based Practice and Evaluation (Theory of Change)**

Theory-based practice and evaluation is becoming an increasingly popular approach for assessing social value creation and measurement in the cultural sector. Theory-based approaches (sometimes called ‘Theory of Change Models’) attempt to **identify causal pathways for how inputs and activities create immediate outputs, medium-term outcomes, and long-term impacts.**<sup>17</sup>

Because social value initiatives often attempt to make long-term impacts, practitioners need a way to work towards this impact before they know that it has actually occurred (i.e., ‘what should we do in the present to make an impact in the future?’). Theory-based approaches attempt to resolve this issue by building a strong case to justify why current choices will create an intended impact.

Two prominent examples of theory-based modelling are

those of Hull UK CoC 2017 and Coventry UK CoC 2021. For Hull, evaluators put together a Theory of Change model that identified how the CoC year created streams of work that were proposed to eventually create overall impacts, such as developing the capacity and capabilities of the local cultural sector.<sup>18</sup> This evaluation was done after the CoC year had concluded as a way to characterise its impact. For Coventry, evaluators and practitioners developed a beneficiary-focused ‘story of change’ before the year took place in order to actively create arts programmes that worked towards their intended impact.<sup>19</sup> For an in-depth look at this way of working, see the Coventry case study.

The hypothesis-driven rationale of theory-based approaches is that they can explain the mechanisms of how change is created. But the realities of how these models are applied often

show a generic, formulaic, and linear way of thinking about the connection between inputs, outputs, and outcomes. Hence, **questions have been raised about the Theory of Change’s propensity to eliminate context-specificity and also to ‘squeeze’ both politics and learning out of evaluation practices.**<sup>20</sup>

The approach developed in Coventry—as the case study shows—is a good illustration of both the advantages and difficulties of developing a fully-fledged, context-specific, and developmental approach to evaluation using a Theory of Change model.

<sup>17</sup> Susan Galloway, ‘Theory-Based Evaluation and the Social Impact of the Arts’, *Cultural Trends*, 18.2 (2009), 125-48.

<sup>18</sup> Culture, Place, & Policy Institute, University of Hull, *Cultural Transformations: The Impact of Hull UK City of Culture* (Hull, 2018), pp. 35–39.

<sup>19</sup> Jonathan Neelands and others, *Coventry City of Culture 2021 Performance Management and Evaluation Strategy* (Coventry, 2020), pp. 1-24.

<sup>20</sup> Patrycja Kaszynska, *Evaluation: Concepts and Practice* (London: University of the Arts London, 2021), pp. 1-22.



### 3. Social Return on Investment

Social Return on Investment (SROI) is a relatively recent measurement approach that expresses social value in monetary terms. While the approach is rooted in a wider Theory of Change model, it has a particular format for representing value. **SROI scenarios use proxy metrics to assign a financial value to social outcomes.** For example, if an intervention boosts the health of a participant, they might visit the doctor less often, reducing transportation costs and time off work. These outcomes would be given a value (say, £300 was generated for the participant) which is compared against the value of the original investment (say, the intervention cost £100). In this example, the intervention will then have a 1:3 SROI ratio.

SROI approaches have started to be used in the cultural sector, but their uptake is slow. In one case, the FOOD Museum in the UK used SROI to calculate the

social value generated by their work-based learning programme.<sup>21</sup> Using metrics such as increased future income and positive social relationships for participants, they found that their programme generated £4.30 of social value for every £1 invested. In another example, a UNESCO World Heritage site in Spain used SROI to posit that €2.65 of social value was generated for every €1 of investment; their metrics related to tourism and employment creation.<sup>22</sup>

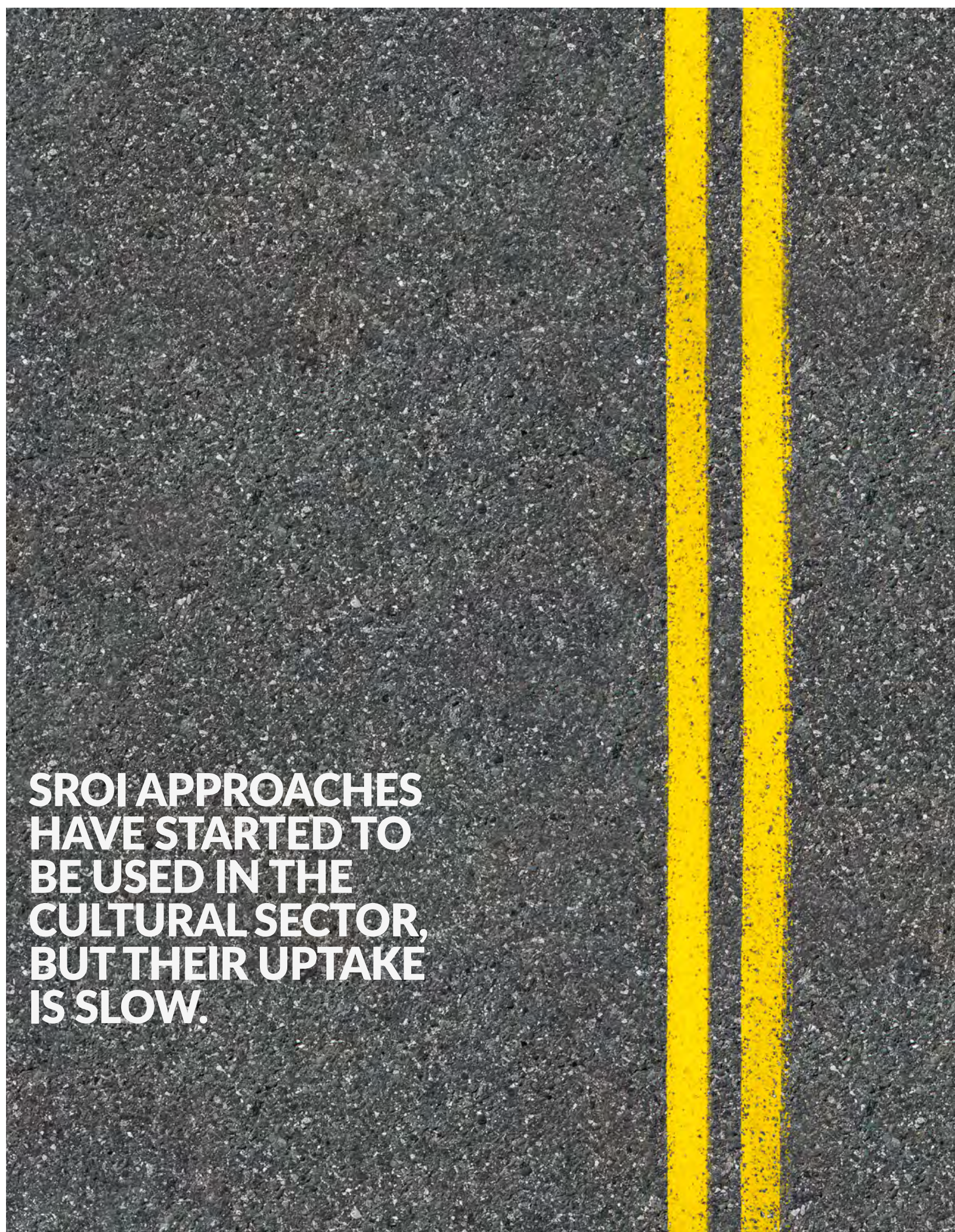
Even though SROI approaches are becoming established in the cultural sector, many difficulties remain. As the early work of New Philanthropy Capital shows,<sup>23</sup> comparisons between different projects and organisations can be problematic. Furthermore, **monetisation remains controversial given that different valuation methods (e.g., contingent valuation versus subjective wellbeing valuation) yield very different estimates.**

Moreover, SROI approaches often ignore how stakeholders/beneficiaries ascribe value to interventions (see the case study below for an attempt to address this critique through a stakeholder-oriented SROI approach). Simultaneous efforts are being made to develop cross-sector approaches and resources (e.g., National Themes Outcomes and Measures Framework; Social Value Bank) as well as to develop sector specific tools (e.g., RIBA Social Value Toolkit; UK Green Building Council Social Value Framework).

<sup>21</sup> *Investing in Culture and Community*, (Food Museum, 2016) [accessed 28 July 2022].

<sup>22</sup> Antonio Ariza-Montes and others, 'Social Return on Investment (SROI) to Assess the Impacts of Tourism: A Case Study', *SAGE Open*, 11.1 (2021).

<sup>23</sup> Lucy Heady, *SROI position paper* (NPC, 2012), pp. 1-12.



**SROI APPROACHES  
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BUT THEIR UPTAKE  
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# BARRIERS TO SOCIAL VALUE IMPLEMENTATION

In general terms, there are several persistent barriers to the successful implementation and analysis of social value at project and system levels. These include:

## Value disagreement on the 'object' of social value

Social value is different for each intervention and subjective to each impacted individual. This has implications for programming and measurement. Regarding the former, making interventions more meaningful for one person might make them less meaningful for another, which underscores the lack of accepted and uniform registers of value. Regarding the latter, making decisions around how to represent and capture social value is notoriously difficult because of the subjectivity inherent in the notion.

## Measuring intangibles: a technical challenge

Social value is not a 'thing' that can be easily counted; rather, it is a relational and representational phenomenon. In particular, it is extremely difficult to attribute impact to a specific intervention. Acquiring the professional expertise (internally or externally) to measure social value is often a challenge. Moreover, social value work often presupposes impact before interventions start, which can hamper emergent values and their measurement.

## Benchmark versus flexibility

Benchmarking systems have been encouraged to better understand how specific interventions compare against each other. However, in the case of social value measurement, flexibility

is also required to ensure that meaning is represented in ways that are specific to impacted individuals.

## Accountability versus learning

The type of measurement required to prove that an intervention is worthy of investment often differs from the type of measurement necessary for improving similar future interventions. Finding the right balance between these competing motivations is difficult.

## Balancing multiple stakeholder needs

Relatedly, funders, partners, managers, programme coordinators, beneficiaries, and other stakeholders all require different information and attention at different times. The operational capacity required to balance all of these needs must also allow for the smooth running of the social value intervention itself.

## Trade-offs and choices

Prioritising social value creation on an organisational level is different from prioritising economic or 'artistic' value (even though it may be argued that one can lead to the other). It is imperative to ensure that those creating and running a programme are on the same page about its overall goals.

## Engaging relevant stakeholders in measurement

Employees are not the only people involved in evaluation. Getting partners and impacted individuals involved in the measurement process can shed light on previously obscured value creation. However, persuading them to buy-in can be problematic.

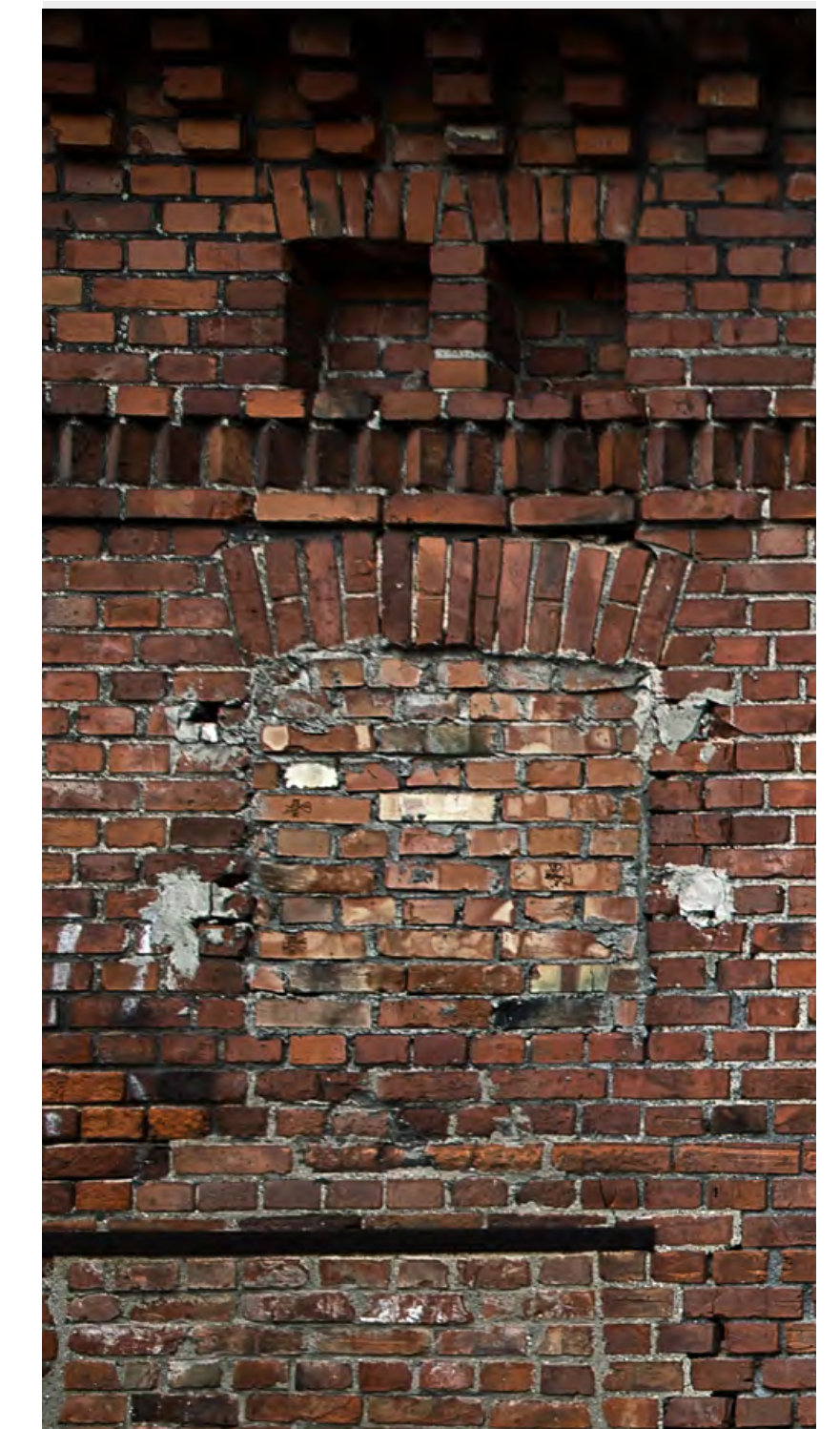
## Employee engagement difficulty

Organisations have embraced Theory of Change models as a tool for programming, not just evaluation. However, such tools create additional burdens for

staff members, who might not buy-in to the new working processes.

## Fiscal and temporal capacity

Creating and measuring social value meaningfully requires a significant amount of money, time, and effort.





# CASE STUDY:

## STAKEHOLDER-ORIENTED SOCIAL VALUE MEASUREMENT FOR COVENTRY UK CoC 2021

*We now present a case study of the Social Value Assessment for Coventry UK CoC 2021, which demonstrates the creation and measurement of a social value initiative, and outlines its affordances and drawbacks.*

### Context for Social Value Measurement

The Coventry City of Culture Trust was set up in 2015 to bid to be UK CoC in 2021, and their bid was approved in 2017. Their success was largely due to their commitment to use the festival as a catalyst for positive social

change in the city: ‘culture with the people, not for the people’. From the outset, the Trust prioritised the measurement of its social outcomes. In the first instance, it set up a Core Monitoring and Evaluation team (Core M&E). The team was a cross-organisation group that included the Trust, Coventry City Council, University of Warwick, and Coventry University. It had responsibility for designing and implementing a performance measurement framework and strategy for determining the Trust’s economic and social outcomes. At the heart of the framework was a Theory of Change—also referred to by the evaluators as a ‘story of change’—

that outlined the key inputs, outputs, outcomes, and impacts targeted by the Trust.

The impacts were: 1) Coventry citizens positively influence and shape the city they want to live in; 2) Coventry’s culture contributes to the social and economic prosperity of the city and region; 3) Coventry is a global and connected city; and 4) Coventry is recognised as a future-facing pioneering city.<sup>24</sup>

### Underpinning Principles of Social Value Measurement

The Core M&E Team appointed MB Associates (MBA), a firm of social value consultants and accredited SROI practitioners, to work alongside the team to measure aspects of the social value of the Coventry UK CoC 2021. It was collaboratively decided that the evaluation would innovatively adopt a stakeholder-oriented SROI (rather than the traditional cost-benefit analysis approach that uses standardised, pre-determined models of value that estimate that every

stakeholder receives the same value from a particular change) and that it would be led in accordance with the seven social value principles.<sup>25</sup>

The measurement process was also designed to adhere to the HM Treasury Green Book<sup>26</sup> methodology and build on the Trust’s Performance Measurement framework and Theory of Change.

Commissioning the stakeholder-oriented SROI was rooted in the Trust’s wider commitment to give primacy to the views of stakeholders. Stakeholders included communities, Trust employees, funders, and other partner organisations, all of which agreed to participate in novel measurement approaches to establish and communicate the social value of programmes.

It was originally envisaged that the SROI would be conducted on 20 of the programmed events, and aggregated to create an SROI ratio for the entire CoC festival.

However, it quickly emerged from a 3-project pilot that this would require a bigger budget than was available. Rather than conduct a lighter and less insightful intervention across the whole programme, the Trust decided to focus in depth on five SROI case studies (the Turner Prize, Arts and Homelessness Festival, the Global Youth Summit, WILDLife Gathering, and Pirates of the Canal Basin). The aim was to reveal the depth of stakeholder-oriented SROI, accentuating learning and knowledge transfer.

<sup>24</sup> All documentation relating to the Coventry City of Culture 2021 performance measurement framework and strategy may be found here: <https://warwick.ac.uk/about/cityofculture/monitoring/>

<sup>25</sup> *Social Value International*, pp 1-6

<sup>26</sup> The HM Treasury Green Book is the main document that sets out government guidance for the appraisal of public investments, reviewing how to appraise policies, programmes, and other projects. The 2018 update contains the first mention of social value, although no agreed methodology was included.



## Applying the Stakeholder-Oriented SROI Methodology

The five SROI case studies for Coventry UK CoC 2021 were selected for their technical and resource-based characteristics (e.g., range of stakeholders, inclusion of seldom-heard groups, established relationships, type of event), with the intent of understanding the value of the social outcomes created for stakeholders across the programme of events. To attain a stakeholder-oriented evaluation of value creation, MBA relied on a set of activities that allowed them to hear directly from stakeholders about project intentions and outcomes. The following is a description of the key activities required to enact a stakeholder-oriented SROI method.

### **1. Clarify the scope: the period the assessment will cover and the people who will need to be involved.**

Each project's stakeholder-oriented SROI commenced with introductory online or in-person

meetings between the evaluators and the people involved at project-level (e.g., producers, managers, partners). These meetings were crucial to establishing a working relationship with the project team. They were used to discuss the purpose of the measurement process, the timeline and intentions for the project, and the range of stakeholders who would need to be included to achieve a valuation of created social value.

### **2. Outline 'the difference that will be made': articulate and narrate the intentions for social change and the chain of events which will be used to facilitate that change.**

After the relationships had been established and a scope for the measurement process decided, a series of workshops were undertaken based around the 'story of change' technique. Workshops focused on uncovering activities aimed at creating an impact and identifying why those activities would lead to desired change from the perspective of the different stakeholders involved.

The teams were pushed to 'reverse plan' along the stated 'story of change' (i.e., the impacts, outcomes, outputs, and inputs) by answering the following questions: What are you doing? Why are you doing it this way? How? And with whom? This enabled hypothetical pathways to be constructed before the projects began, which could be tested at the end (i.e., did the project create the social value it intended to with these resources? With these stakeholders? Why or why not?).

### **3. Data: design and apply appropriate methods for capturing the targeted changes.**

Once the chain of events hypothesised to lead to change were made transparent and clear, a set of data collection techniques were applied to determine whether change had occurred. The stakeholder-oriented approach prioritised gathering information in the participants' own voices. Thus, the stakeholders who were targeted for change responded on their own behalf

about whether that change had occurred and how it had been valuable to them. Gathering data drew on quantitative and qualitative methods, such as surveys, questionnaires, focus groups, interviews, solicited feedback and comments, and workshops. At times, secondary data was used as a complement (e.g., a survey by another entity might include relevant information on wellbeing changes in the participating stakeholders). Ideally, data collection occurred before and after the project to provide a baseline against which change could be objectively measured against.

### **4. Use the gathered evidence to determine the nature and value of change: analysis of the qualitative and quantitative evidence and validation of interpretations with key stakeholder groups.**

Finally, the collected data was analysed to determine what had changed, for whom, and the value of that change from the stakeholders' perspective.

Appropriate analysis methods were applied to each data set (i.e., thematic analysis for the qualitative data; statistical inference for the quantitative data) and findings were validated with key stakeholder groups. For example, results were presented to stakeholders in order to elicit their feedback and make adjustments based on their personal context. This was done to avoid overclaiming and ensure that stakeholders felt that the results were accurate representations of the changes they had experienced through the programme. Stakeholders were also asked to look at the collected evidence to collaboratively agree on a chain of events that was plausibly responsible for the impact. The original 'story of change' was tested by asking participants about the best and the least valuable parts of the work. Finally, an impact model was created to test different scenarios and determine where most of the social value creation had occurred.



# RECOMMENDATIONS FROM COVENTRY UK CoC 2021 AND BEYOND

*Although the process of social value measurement for Coventry CoC 2021 was innovative in its use of stakeholder-oriented SROI methodology, there were several challenges to which policymakers and evaluators should pay attention moving forward.*

The difficulties were largely related to stakeholder resistance and methodological limitations, and they offer avenues for future research. We follow these empirically-derived recommendations with recommendations for how researchers might address current gaps in the literature on social value creation and measurement.

## Forms of stakeholder resistance during social value measurement

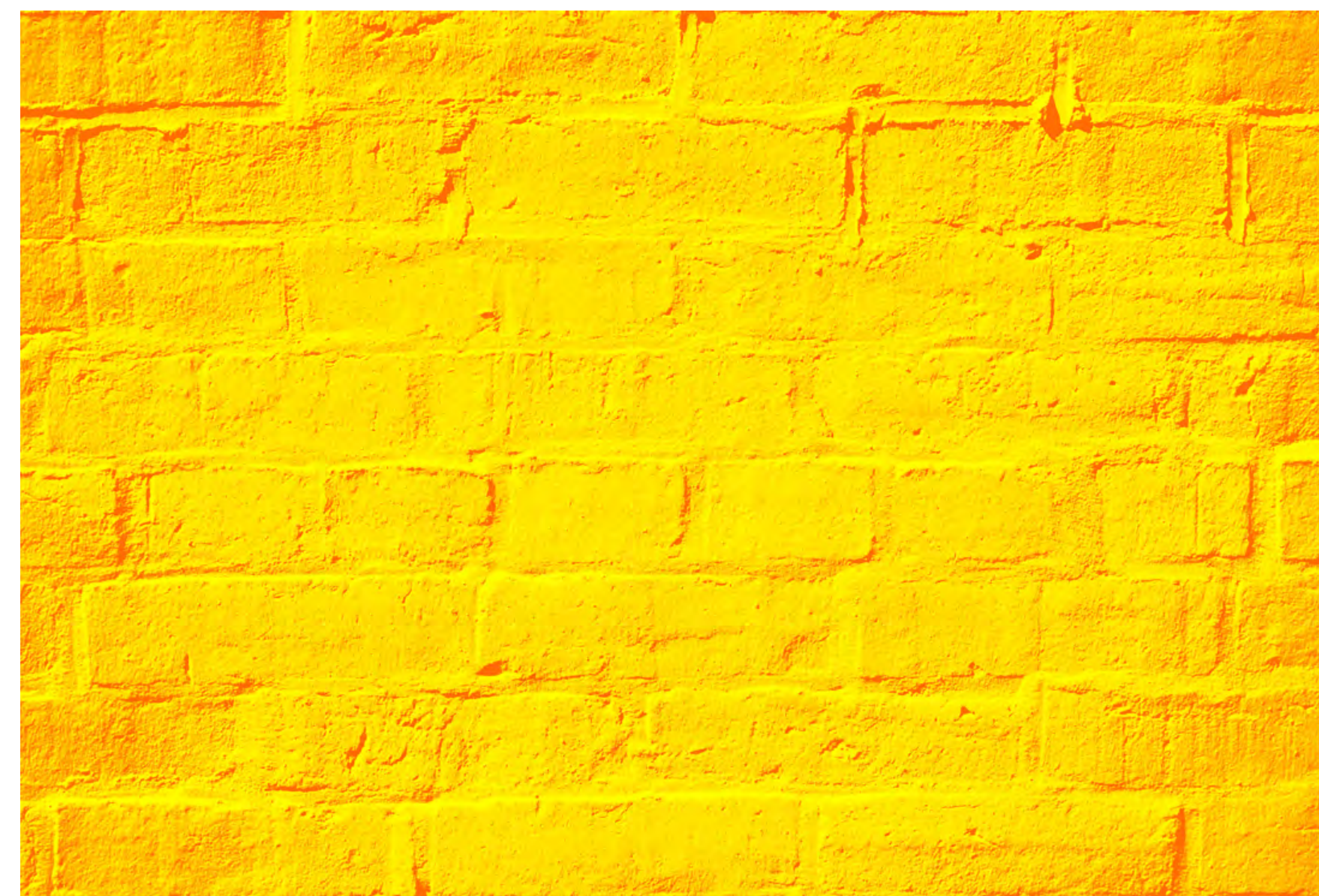
Resistance refers to any attempt by stakeholders to avoid conducting and/or participating in measurement and evaluation processes. For Coventry CoC, there were two main reasons for resistance:

### Evaluation overload/fatigue

Some participants in events were called upon multiple times to respond to various evaluation activities. Evaluation began to cause frustration, which spilled over onto their engagement with the events. Employees also experienced fatigue when the demands for evaluation were perceived as resource consuming and a distraction from the cultural production.

### Sheltering of participants/beneficiaries

Employees became protective of certain beneficiary groups and tried to 'shield' them from evaluation (i.e., they didn't press for agreement to run an evaluation exercise with them, or they did not make introductions). In some cases, this prevented the evaluators from having direct pathways for answering questions and blocked the achievement of a key tenet of stakeholder-oriented SROI: the capture of



the direct user's voice to understand value created. For example, the Turner Prize SROI was unable to be completed due to the sheltering of beneficiaries by community partners. In less extreme cases, participants showed variable willingness to undertake surveys. This meant that baselines were at time incomplete and/or unreliable. We suggest that future evaluation efforts are strategic

and representational rather than universal and standard. Efforts should also be made to **determine the potential additional causes of this resistance** (e.g., perhaps it is erroneously taken for granted that people know how to create narrative-based evaluations, which could be remedied by offering training in these techniques).



**ENSURING THAT INDIVIDUAL EXPERIENCES AND NEEDS ARE FAIRLY AND JUSTIFIABLY REPRESENTED IN THE PRESENTED DATA IS A MAJOR CHALLENGE.**



### **Methodological limitations of stakeholder-oriented approaches**

The stakeholder-oriented SROI overcomes some recognised methodological challenges to identifying a valid baseline and comparators for calculations. For example, it uses the stakeholder voice to determine value instead of constituting it from standardised models. However, its implementation raises alternative methodological issues.

### **Accessing baseline data to capture the 'before' conditions**

Stakeholder resistance can create difficulties in assessing the 'before' conditions that are imperative to calculating the 'change' that has occurred.

### **Representation of lived experience**

Ensuring that individual experiences and needs are fairly and justifiably represented in the presented data is a major challenge. Due diligence must be conducted to ensure data

collection is as inclusive and representative as possible. Aspects that must be taken into account include literacy and language abilities, disabilities, technological literacy, and neurodivergence. Further, there is growing criticism of the use of collective labels such as BAME/BME for reporting purposes. Additional research is needed, which must be conducted alongside the relevant communities, to identify and apply new labels/language that best reflect and amplify the lived experiences of diverse communities.

### **Presentation**

Qualitative data requires experimentation to determine how to present it for efficient decision making. While SROI enables a ratio to be created, other presentation methods might enrich the insights gained from an evaluation. Future work could investigate how stakeholder groups respond to reports when different channels

are used to communicate results (in terms of rigour, validation, and legitimacy).

We suggest that future SROI projects gain commitment from key funders and stakeholders to continue to work experimentally to trial methods for reliably capturing, representing, and presenting the social value of a broader range of impact areas.





## Literature-Derived Recommendations

In addition to the theoretical and methodological recommendations for future research based on the Coventry City of Culture context, we now propose additional streams of research derived from pre-existing scholarship.

## Programme Decision Making for Social Value

While cultural organisations are increasingly designing programmes to create social value, the ‘value’ of the programmes is subjective to those who experience them. How then can decision-makers ensure that their programmes are meaningful and create positive changes in the lives of those who are impacted? Theorists and practitioners have started to champion ‘Co-Creation’ as a way of build collaborative decision making into programme creation, but more research is needed to understand how social value programmes can be designed to be meaningful to all collaborators

(See the Co-creation and Value Creation paper in this series).<sup>27</sup>

## Social Value Justification

If cultural investment is justified vis-à-vis its ability to create social value, more research needs to be done to better understand how arts participation generates social value. Moreover, more public and policy discussions are needed to agree on whether and why culture, as opposed to other potentially meritorious interventions, is an effective and appropriate means through which to make positive changes in people’s lives. Moreover, how can social value be represented in ways that are authentic to those whose lives are changed by cultural programmes, while also appealing funders and other external stakeholders?

## Broadening Social Value

Additional research is needed to represent social value in ways that can be integrated into wider debates. For example, framing social value as wellbeing could

provide an anchor for the many measurement approaches that have proliferated in recent years, with some already existing in the cultural sector. Wellbeing may be particularly fruitful due its ability to bridge individual and communal registers,<sup>28</sup> subjective and objective determinants,<sup>29</sup> and pre-existing conceptual frameworks.<sup>30</sup>

## Investing in Social Value

The funders of cultural programmes steer programmes in the direction required for securing investment. For example, the bidding cities for UK CoC 2025 were *required* to put forward a theory of change describing how their year would positively shape the lives of those within the winning city.

This however can create a tendency to pay lip service to perfunctory exercises in order to secure funds, while continuing to work as usual.

We suggest that future research investigates these questions and further elucidates how social value can be created and measured in the cultural sector.



<sup>27</sup> Framing social value in terms of wellbeing—see Broadening Social Value below—also presents a promising avenue of inquiry in this respect.

<sup>28</sup> Ana Llena Nozal, Neil Martin, and Fabrice Murtin, *The Economy of Well-being: Creating Opportunities for People’s Well-being and Economic Growth* (OECD: 2019), pp. 1-54.

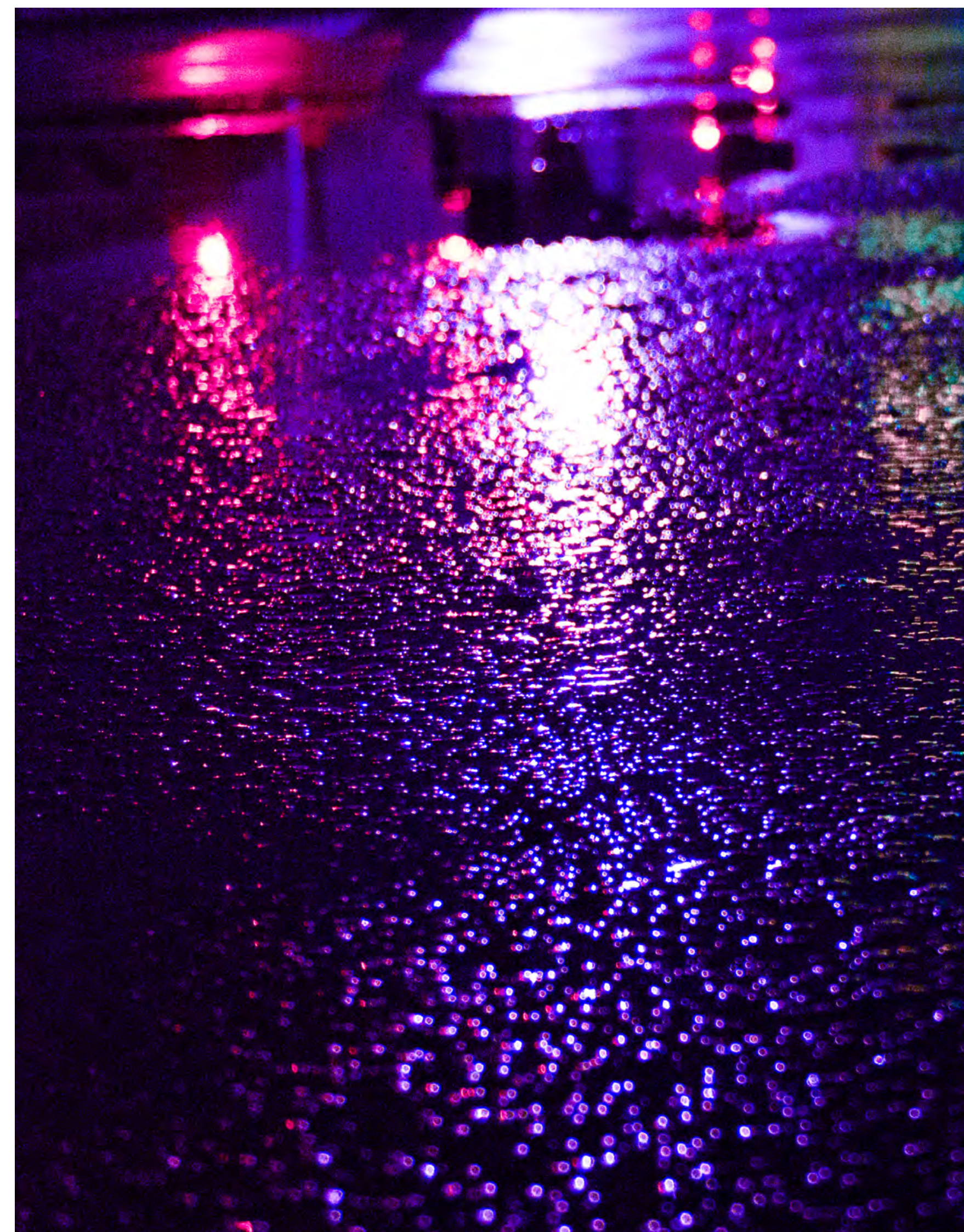
<sup>29</sup> World Health Organization, *Closing the Gap: Policy into Practice on Social Determinants of Health* (Brazil, 2011), pp. 1-56.

<sup>30</sup> Joseph Stiglitz, Amartya Sen, and Jean-Paul Fitoussi, *Report by the Commission on the Measurement of Economic Performance and Social Progress* (Paris: 2009), pp. 1-292.

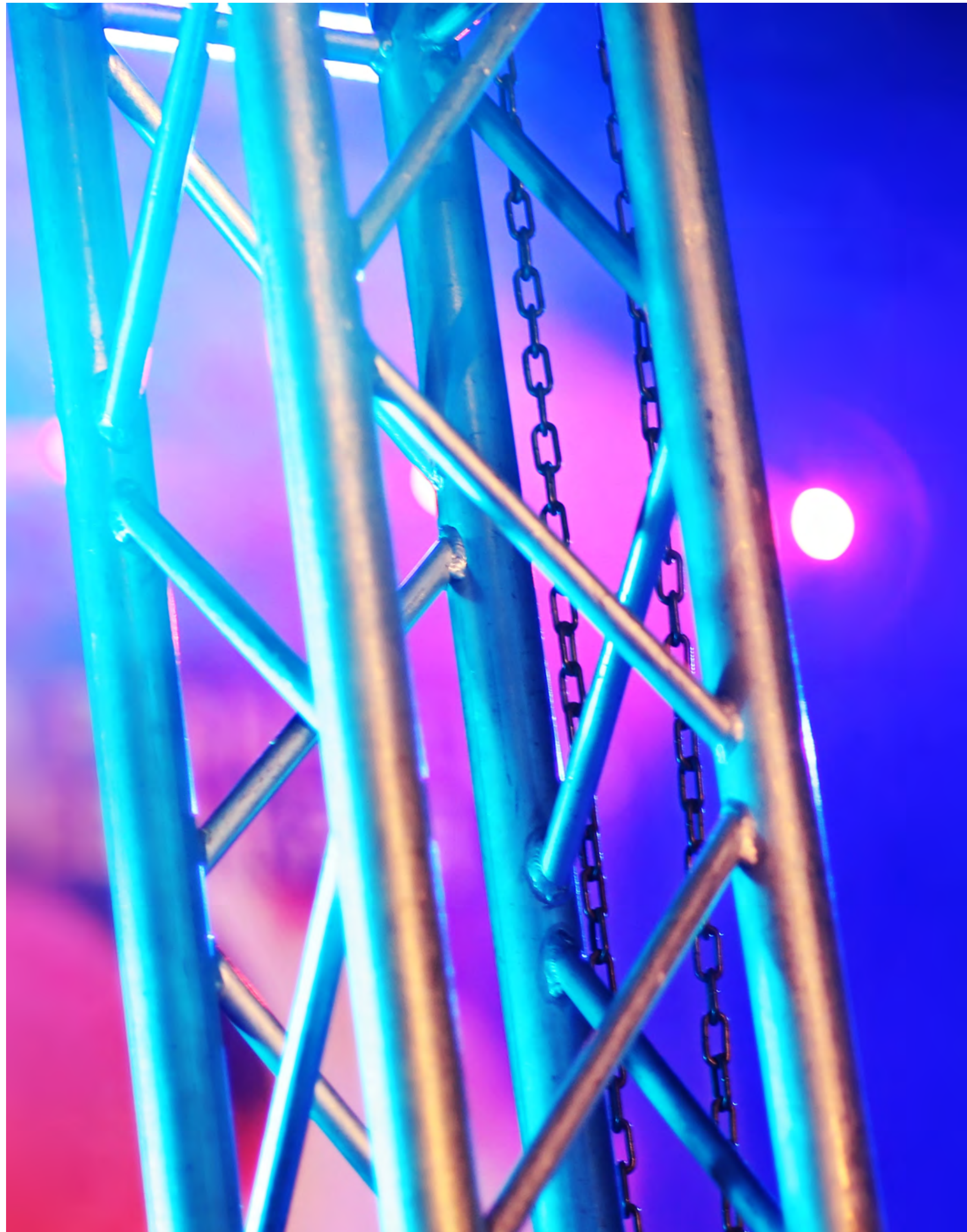


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In affiliation with



**Dr Andrew Anzel** is a Research Fellow at the Warwick Business School. His research focuses on social value measurement, cultural policy, and organizational identity. Before his research career he was an arts producer in New York City.

**Dr Patrycja Kaszynska** is Senior Research Fellow at University of the Arts London. She is interested in the valuation practices shaping the articulations and measurement of cultural value.

**Dr Haley Beer** is the Lead of the Social Impact Evaluation of Coventry City of Culture 2021. She has consulted on impact measurement for organisations such as the Crown Estate, OECD, UNDP, and the Department for Communities and Local Government.